

clinical campus, whichever is the same as the unit receiving the grant funds.

(g) Each project must evaluate the program of instruction required in paragraph (f) of this section, including evaluation of faculty competence, the administration of the program, and the degree to which program objectives are met.

(h) Where projects include the planning and development of model predoctoral, faculty development, or graduate medical education programs, those programs must be designed to eventually meet the requirements of the regulations implementing section 747 of the Act, 42 CFR part 57, subpart Q.

(Approved by the Office of Management and Budget under control number 0915–0060)

[48 FR 20215, May 4, 1983, as amended at 57 FR 45739, Oct. 5, 1992; 60 FR 28067, May 30, 1995]

§ 57.1705 How will applications be evaluated?

As required by section 798(a) of the Act, each application for a grant under this subpart shall be submitted to a peer review group, composed principally of non-Federal experts, for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval. The Secretary will award grants to applicants whose projects will best promote the purposes of section 747 of the Act and this subpart. The Secretary will consider, among other factors:

(a) The degree to which the proposed project adequately provides for the project requirements in § 57.1704;

(b) The administrative and management capability of the applicant to carry out the proposed project in a cost-effective manner;

(c) The qualifications of the proposed staff and faculty of the unit; and

(d) The potential of the project to continue on a self-sustaining basis.

[48 FR 20215, May 4, 1983, as amended at 60 FR 28067, May 30, 1995]

§ 57.1706 How long does grant support last?

(a) The notice of grant award specifies how long the Secretary intends to support the project without requiring the project to re compete for funds. This period, called the project period, will not exceed 5 years.

(b) Generally, the grant will initially be funded for 1 year and subsequent noncompeting continuation awards will also be for 1 year at a time. Decisions regarding noncompeting continuation awards and the funding levels of these awards will be made after consideration of such factors as the grantee's progress and management practices, and the availability of funds. In all cases, noncompeting continuation awards require a determination by the Secretary that continued funding is in the best interest of the Federal Government.

(c) Neither the approval of any application, nor the award of any grant, shall commit or obligate the United States in any way to make any additional, supplemental, noncompeting continuation or other award with respect to any approved application or portion of an approved application. For continuation support, grantees must make separate application at such times and in such a form as the Secretary may prescribe.

[48 FR 20215, May 4, 1983, as amended at 57 FR 45739, Oct. 5, 1992]

§ 57.1707 For what purposes may grant funds be spent?

(a) A grantee shall only spend funds it receives under this subpart according to the approved application and budget, the authorizing legislation, the terms and conditions of the grant award, and the applicable cost principles in subpart Q of 45 CFR part 74, and these regulations.

(b) Grantees may not spend grant funds for sectarian instruction or for any religious purpose.

(c) Any balance of federally obligated grant funds remaining unobligated by the grantee at the end of a budget period may be carried forward provided specific approval is granted by the Secretary. If at any time during a budget period it becomes apparent to the Secretary that the amount of Federal